

HEARING DATE AND TIME: January 21, 2016 at 10:00 a.m. (Eastern Time)
RESPONSE DEADLINE: January 14, 2016 at 4:00 p.m. (Eastern Time)

**THE FIVE HUNDRED FIFTEENTH OMNIBUS OBJECTION TO CLAIMS
SEEKS TO DISALLOW AND EXPUNGE CERTAIN FILED PROOFS OF
CLAIM. PARTIES RECEIVING THIS NOTICE SHOULD REVIEW THE
OBJECTION TO SEE IF THEIR NAME(S) AND/OR CLAIM(S) ARE
LOCATED IN THE OBJECTION AND/OR THE EXHIBIT ATTACHED
THERETO TO DETERMINE WHETHER THE OBJECTION AFFECTS
THEIR CLAIM(S).**

**IF YOU HAVE QUESTIONS, PLEASE CONTACT
LEHMAN BROTHERS HOLDINGS INC.'S COUNSEL,
MELISSA SIEGEL, AT 212-310-8054.**

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Garrett A. Fail

Attorneys for Lehman Brothers Holdings Inc.
and Certain of Its Affiliates

**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

-----X
In re : Chapter 11 Case No.
: :
LEHMAN BROTHERS HOLDINGS INC., *et al.*, : 08-13555 (SCC)
: :
Debtors. : (Jointly Administered)
-----X

**NOTICE OF HEARING ON THE PLAN ADMINISTRATOR'S FIVE HUNDRED
FIFTEENTH OMNIBUS OBJECTION TO CLAIMS (NO LIABILITY CLAIMS)**

PLEASE TAKE NOTICE that on December 17, 2015 Lehman Brothers Holdings Inc. ("LBHI"), as Plan Administrator under the Modified Third Amended Joint Chapter 11 Plan of Lehman Brothers Holdings Inc. and Its Affiliated Debtors for the entities in the above-referenced chapter 11 cases, filed the five hundred fifteenth omnibus objection to claims

(the “Five Hundred Fifteenth Omnibus Objection to Claims”), and that a hearing (the “Hearing”) to consider the Five Hundred Fifteenth Omnibus Objection to Claims will be held before the Honorable Shelley C. Chapman, United States Bankruptcy Judge, in Courtroom 623 of the United States Bankruptcy Court for the Southern District of New York, One Bowling Green, New York, New York 10004, on **January 21, 2016 at 10:00 a.m. (Eastern Time)**, or as soon thereafter as counsel may be heard.

PLEASE TAKE FURTHER NOTICE that any responses to the Five Hundred Fifteenth Omnibus Objection to Claims must be in writing, shall conform to the Federal Rules of Bankruptcy Procedure and the Local Rules of the Bankruptcy Court, shall be filed with the Bankruptcy Court (a) electronically in accordance with General Order M-399 (which can be found at www.nysb.uscourts.gov) by registered users of the Bankruptcy Court’s filing system, and (b) by all other parties in interest, on a CD-ROM or 3.5 inch disk, preferably in Portable Document Format (PDF), WordPerfect, or any other Windows-based word processing format (with a hard copy delivered directly to Chambers), in accordance with General Order M-182 (which can be found at www.nysb.uscourts.gov), and shall be served in accordance with General Order M-399 upon (i) the chambers of the Honorable Shelley C. Chapman, One Bowling Green, New York, New York 10004, Courtroom 623; (ii) attorneys for LBHI, Weil, Gotshal & Manges LLP, 767 Fifth Avenue, New York, New York 10153 (Attn: Garrett A. Fail, Esq., and Melissa Siegel, Esq.) and (iii) the Office of the United States Trustee for Region 2, U.S. Federal Office Building, 201 Varick Street, Suite 1006, New York, New York 10014 (Attn: William K. Harrington, Esq., Susan Golden, Esq., and Andrea B. Schwartz, Esq.); so as to be so filed and received by no later than **January 14, 2016 at 4:00 p.m. (Eastern Time)** (the “Response Deadline”).

PLEASE TAKE FURTHER NOTICE that if no responses are timely filed and served with respect to the Five Hundred Fifteenth Omnibus Objection to Claims or any claim set forth thereon, the Plan Administrator may, on or after the Response Deadline, submit to the Bankruptcy Court an order substantially in the form of the proposed order annexed to the Five Hundred Fifteenth Omnibus Objection to Claims, which order may be entered with no further notice or opportunity to be heard offered to any party.

Dated: December 17, 2015
New York, New York

/s/ Garrett A. Fail
Garrett A. Fail

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Attorneys for Lehman Brothers Holdings Inc.
and Certain of Its Affiliates

HEARING DATE AND TIME: January 21, 2016 at 10:00 a.m. (Eastern Time)
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**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

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In re : Chapter 11 Case No.
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LEHMAN BROTHERS HOLDINGS INC., *et al.* : 08-13555 (SCC)
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Debtors. : (Jointly Administered)
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**THE PLAN ADMINISTRATOR'S FIVE HUNDRED FIFTEENTH
OMNIBUS OBJECTION TO CLAIMS (NO LIABILITY CLAIMS)**

**THIS OBJECTION SEEKS TO DISALLOW AND EXPUNGE CERTAIN
FILED PROOFS OF CLAIM. PARTIES RECEIVING THIS FIVE
HUNDRED FIFTEENTH OMNIBUS OBJECTION TO CLAIMS SHOULD
REVIEW THE OBJECTION TO SEE IF THEIR NAME(S) AND/OR
CLAIM(S) ARE LOCATED IN THE OBJECTION AND/OR THE EXHIBIT
ATTACHED THERETO TO DETERMINE WHETHER THE OBJECTION
AFFECTS THEIR CLAIM(S).**

**IF YOU HAVE QUESTIONS, PLEASE CONTACT
LEHMAN BROTHERS HOLDINGS INC.'S COUNSEL,
MELISSA SIEGEL, AT 212-310-8054.**

TO THE HONORABLE SHELLEY C. CHAPMAN
UNITED STATES BANKRUPTCY JUDGE:

Lehman Brothers Holdings Inc. (“LBHI”), as Plan Administrator under the Modified Third Amended Joint Chapter 11 Plan of Lehman Brothers Holdings Inc. and Its Affiliated Debtors (the “Plan”) for the entities in the above-referenced chapter 11 cases (collectively, the “Chapter 11 Estates”), respectfully represents as follows:

RELIEF REQUESTED

1. The Plan Administrator files this objection pursuant to section 502(b) of title 11 of the United States Code (the “Bankruptcy Code”), Rule 3007(d) of the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”), and this Court’s order approving procedures for the filing of omnibus objections to proofs of claim filed in these chapter 11 cases (the “Procedures Order”) [ECF No. 6664], seeking disallowance and expungement of each of the proofs of claim listed on Exhibit A annexed hereto (collectively, the “No Liability Claims”).

JURISDICTION

2. This Court has jurisdiction to consider this matter pursuant to 28 U.S.C. §§ 157 and 1334. This is a core proceeding pursuant to 28 U.S.C. § 157(b).

BACKGROUND

3. Commencing on September 15, 2008 and periodically thereafter, LBHI and certain of its subsidiaries commenced with this Court voluntary cases under chapter 11 of the Bankruptcy Code. These chapter 11 cases have been consolidated for procedural purposes only and are being jointly administered pursuant to Bankruptcy Rule 1015(b).

4. By order dated July 2, 2009 (the “Bar Date Order”), the Court established (a) September 22, 2009 as the Bar Date and (b) October 22, 2009 at 5:00 p.m. as the deadline for the filing of Derivative Questionnaires and Guarantee Questionnaires (each as defined in the Bar

Date Order) against the Debtors in these Chapter 11 Cases. [ECF No. 4271 at 2, 7–8]. The Bar Date Order also stated that any holder of a claim against the Debtors that fails to file a proof of claim in accordance with the Bar Date Order would “forever be barred, estopped, and enjoined from asserting such claim against the Debtors (or filing a Proof of Claim with respect thereto)” *Id.* at 9–10.

5. On January 14, 2010, the Court entered the Procedures Order, which authorizes the Chapter 11 Estates to file omnibus objections to claims on various grounds, including those set forth in Bankruptcy Rule 3007(d) and those additional grounds set forth in the Procedures Order.

6. On December 6, 2011 the Court approved and entered an order confirming the Plan [ECF No. 23023]. The Plan became effective on March 6, 2012. Pursuant to the Plan, the Plan Administrator is authorized to interpose and prosecute objections to claims filed against the Chapter 11 Estates.

THE NO LIABILITY CLAIMS SHOULD BE DISALLOWED AND EXPUNGED

7. A filed proof of claim is “deemed allowed, unless a party in interest . . . objects.” 11 U.S.C. § 502(a). If an objection refuting at least one of the claim’s essential allegations is asserted, the claimant has the burden to demonstrate the validity of the claim. *See In re Oneida Ltd.*, 400 B.R. 384, 389 (Bankr. S.D.N.Y. 2009); *In re Adelphia Commc’ns Corp.*, No. 02-41729, 2007 Bankr. LEXIS 660, at *15 (Bankr. S.D.N.Y. Feb. 20, 2007); *In re Rockefeller Ctr. Props.*, 272 B.R. 524, 539 (Bankr. S.D.N.Y. 2000). Section 502(b)(1) of the Bankruptcy Code provides, in relevant part, that a claim may not be allowed to the extent that “such claim is unenforceable against the debtor and property of the debtor, under any agreement or applicable law.” 11 U.S.C. § 502(b)(1).

8. Claim numbers 22666 and 22667 were filed by the Buckeye Tobacco Settlement Financing Authority (“Buckeye Tobacco”) and claim numbers 31014 and 31015 were filed by U.S. Bank National Association, as trustee for Buckeye Tobacco (“U.S. Bank”). Claim numbers 22666 and 31015 were filed against Lehman Brothers Special Financing, Inc. (“LBSF”) asserting \$29,442,000.00 is owed under a reserve fund agreement between Buckeye Tobacco, LBSF, and U.S. Bank, dated October 29, 2007 (the “Reserve Fund Agreement”). Claim numbers 22667 and 31014 were filed against LBHI based on a purported guarantee of the obligations of LBSF under the Reserve Fund Agreement. The Plan Administrator has reviewed the Reserve Fund Agreement, the claims, and questionnaires filed by Buckeye Tobacco and U.S. Bank and based on the Plan Administrator’s valuation, has determined that LBSF, and therefore LBHI, has no liability to the Claimants. Accordingly, the Plan Administrator requests that the Court disallow and expunge the No Liability Claims.

9. The Plan Administrator utilizes a thorough, multi-step process to review claims filed against the Chapter 11 Estates in order to determine the fair, accurate, and reasonable value, if any, of such claims. Specifically, the Plan Administrator: (i) collects and reviews documents related to the relevant claim including, but not limited to, the relevant derivatives questionnaire and/or guarantee questionnaire, the termination notice, and the valuation statement; (ii) reconciles posted collateral and any cash payments already received, made, or missed; and (iii) reviews the valuation methodology used by the claimant to determine the value of the claim, including verifying the legitimacy of quotes provided by the claimant in connection with its valuation statement, reviewing claimant’s “loss” calculation, and evaluating any set-off claims.¹

¹ For a more comprehensive discussion of the valuation process, please see the *Declaration of Gary H. Mandelblatt in Support of Debtors’ Motion Pursuant to Section 502(b)(9) of the Bankruptcy Code and Bankruptcy Rule*

10. After a review of the Claimants' supporting documentation and the Debtors' internal valuations, the Plan Administrator has determined that, based on the fair, accurate, and reasonable value of the underlying agreements, LBSF (and therefore, LBHI) does not owe any amounts to the Claimants.

11. In addition, the claims filed by U.S. Bank are duplicative of the claims filed by Buckeye Tobacco. U.S. Bank's "protective [c]laim" states that Buckeye Tobacco's claim "takes precedence over that of the Trustee." Because U.S. Bank filed its claims in the same amount as the Buckeye Tobacco claims, leaving the U.S. Bank claims on the claims register could result in a duplicate recovery. Accordingly, U.S. Bank's claims should be disallowed in their entirety as duplicative of Buckeye Tobacco's claims.

RESERVATION OF RIGHTS

12. The Plan Administrator reserves all rights to object on any other bases to any No Liability Claim as to which the Court does not grant the relief requested herein. The Plan Administrator reserves the right to conduct discovery as to the No Liability Claims and any matters raised by Claimants and to supplement this and other filings as a result thereof.

NOTICE

13. No trustee has been appointed in these chapter 11 cases. Notice of this omnibus objection has been provided to (i) the United States Trustee for Region 2; (ii) the Securities and Exchange Commission; (iii) the Internal Revenue Service; (iv) the United States Attorney for the Southern District of New York; (v) each claimant listed on Exhibit A; and (vi) all other parties entitled to notice in accordance with the procedures set forth in the second

3003(c)(3) for Establishment of the Deadline for Filing Proofs of Claim, Approval of the Form and Manner of Notice Thereof and Approval of the Proof of Claim Form (attached as "Exhibit C" to Debtors' Omnibus Reply to Objections to Motion of the Debtors, Pursuant to Section 502(b)(9) of the Bankruptcy Code and Bankruptcy Rule 3003(c)(3), for Establishment of the Deadline for Filing Proofs of Claim, Approval of the Form and Manner of Notice Thereof and Approval of the Proof of Claim Form [ECF No. 4113]).

amended order entered on June 17, 2010 governing case management and administrative procedures for these cases [ECF No. 9635]. The Plan Administrator submits that no other or further notice need be provided.

14. No previous request for the relief sought herein has been made by the Plan Administrator or the Chapter 11 Estates to this or any other Court.

WHEREFORE the Plan Administrator respectfully requests entry of an order granting the relief requested herein and such other and further relief as is just.

Dated: December 17, 2015
New York, New York

/s/ Garrett A. Fail
Garrett A. Fail

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EXHIBIT A

OMNIBUS OBJECTION 515: EXHIBIT A - NO LIABILITY CLAIMS

NAME	CASE NUMBER	DEBTOR NAME	FILED DATE	CLAIM #	ASSERTED TOTAL CLAIM DOLLARS	AMOUNTS TO BE DISALLOWED	REASON FOR PROPOSED DISALLOWANCE
1 BUCKEYE TOBACCO SETTLEMENT FINANCING AUTHORITY, THE	08-13888 (SCC)	Lehman Brothers Special Financing Inc.	09/21/2009	22666	\$29,442,000.00 *	\$29,442,000.00*	No Liability
2 BUCKEYE TOBACCO SETTLEMENT FINANCING AUTHORITY, THE	08-13555 (SCC)	Lehman Brothers Holdings Inc.	09/21/2009	22667	\$29,442,000.00 *	\$29,442,000.00*	No Liability
3 U.S. BANK NATIONAL ASSOCIATION	08-13555 (SCC)	Lehman Brothers Holdings Inc.	09/22/2009	31014	\$29,442,000.00 *	\$29,442,000.00*	No Liability
4 U.S. BANK NATIONAL ASSOCIATION	08-13888 (SCC)	Lehman Brothers Special Financing Inc.	09/22/2009	31015	\$29,442,000.00 *	\$29,442,000.00*	No Liability

PROPOSED ORDER

**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

In re : **Chapter 11 Case No.**
:
LEHMAN BROTHERS HOLDINGS INC., et al., : **08-13555 (SCC)**
:
Debtors. : **(Jointly Administered)**

x

**ORDER GRANTING FIVE HUNDRED FIFTEENTH
OMNIBUS OBJECTION TO CLAIMS (NO LIABILITY CLAIMS)**

Upon the five hundred fifteenth omnibus objection to claims, dated December 17, 2015 (the “Five Hundred Fifteenth Omnibus Objection to Claims”),¹ of Lehman Brothers Holdings Inc., as Plan Administrator under the Modified Third Amended Joint Chapter 11 Plan of Lehman Brothers Holdings Inc. and its Affiliated Debtors, seeking to disallow and expunge the No Liability Claims pursuant to section 502(b) of title 11 of the United States Code (the “Bankruptcy Code”), Rule 3007(d) of the Federal Rules of Bankruptcy Procedure, and this Court’s order approving procedures for the filing of omnibus objections to proofs of claim [ECF No. 6664], all as more fully described in the Five Hundred Fifteenth Omnibus Objection to Claims; and due and proper notice of the Five Hundred Fifteenth Omnibus Objection to Claims having been provided as stated therein, and it appearing that no other or further notice need be provided; and the Court having found and determined that the relief sought in the Five Hundred Fifteenth Omnibus Objection to Claims is in the best interests of the Chapter 11 Estates, their creditors, and all parties in interest, and that the legal and factual bases set forth in the Five Hundred Fifteenth Omnibus Objection to Claims establish just cause for the relief granted herein; and after due deliberation and sufficient cause appearing therefor, it is

¹ Capitalized terms used but not otherwise defined herein shall have the meanings ascribed to such terms in the Five Hundred Fifteenth Omnibus Objection to Claims.

ORDERED that the relief requested in the Five Hundred Fifteenth Omnibus
Objection to Claims is granted; and it is further

ORDERED that, pursuant to section 502(b) of the Bankruptcy Code, the No
Liability Claims listed on Exhibit 1 annexed hereto are disallowed and expunged in their entirety
with prejudice; and it is further

ORDERED that this Court shall retain jurisdiction to hear and determine all
matters arising from or related to this Order.

Dated: _____, 2016
New York, New York

UNITED STATES BANKRUPTCY JUDGE